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Human resources management

Overview of human resources management reform: performance management

Report of the Secretary-General

Addendum

Summary

The present report is presented pursuant to General Assembly resolution 68/252, by which the Assembly requested the Secretary-General to submit to it for consideration at its sixty-ninth session a proposal to revise the performance management system.

Based on extensive research and consultations with Member States, staff (including a Staff-Management Committee working group dedicated to the issue), managers and the senior leadership of the Organization, the Secretary-General has concluded that the performance management system of the United Nations Secretariat is generally consistent with best practice but that it needs targeted change in some critical areas. Therefore, the proposed amendments to the performance management system contained in the present report are aimed at reforming key areas in response to the concerns of staff, management and the leadership of the Organization, as well as those of Member States.

The proposal, which aims to address the key challenges of the Secretariat's performance management system, contains the following key elements: (a) increasing accountability; (b) simplifying the policy and the appraisal process; (c) improving the management culture; and (d) addressing underperformance more effectively.

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I. Background

1. The General Assembly, in paragraph 41 of its resolution 65/247, emphasized that a credible, fair and fully functioning performance appraisal system was critical to effective human resources management and requested the Secretary-General to ensure its rigorous implementation. In paragraph 42 of the same resolution, the Assembly requested the Secretary-General to continue to develop and implement measures to strengthen the performance appraisal system, in particular by rewarding staff for excellent performance and imposing sanctions for underperformance, and to strengthen the link between performance and career progression, in particular for those staff members in managerial positions.

2. In a report submitted to the General Assembly at its sixty-seventh session (A/67/324), the Secretary-General informed the General Assembly of the progress made since the adoption of resolution 65/247, namely: (a) increased oversight of the performance management and development system through the establishment of the Global Joint Monitoring Group and local joint monitoring groups; (b) introduction of a mandatory performance management learning programme for managers and plans to produce an e-learning performance management programme for all staff; (c) advancement of a draft staff-management awards and recognition framework; (d) clarification of the Performance Management and Development System (see ST/AI/2010/5 and Corr.1) with regard to the appropriate sanctions and actions to be taken for underperformance, as well as improved data on underperformance; (e) greater linkages between the performance management system and career development through the requirement to produce performance evaluations for recruitment and the publication of an online competency development guide; and (f) enhancement of the Inspira e-performance tool following the results of the initial pilot programme.

3. The General Assembly, in section I of its resolution 68/252, welcomed the ongoing efforts of the Secretary-General to develop a refined performance management framework for the Organization, and requested the Secretary-General to submit to it for consideration at its sixty-ninth session a comprehensive performance management proposal, including all necessary modalities and recommendations. The Assembly emphasized that the overarching objective of that proposal should be to credibly and effectively measure performance, reward good performance and sanction underperformance and that it should be easily understood by staff and management. Further, it stressed that the sanctioning of underperformance was crucial to ensure the efficient and effective execution of mandates, and urged the Secretary-General to clarify and simplify policies and procedures related to underperformance, bearing in mind the lessons learned from the jurisprudence of the administration of justice system.

4. By the same resolution, the General Assembly requested the Secretary-General to report progress in preparing the proposal through an information briefing to be held no later than at the end of the second part of its resumed sixty-eighth session. That briefing was provided to the Fifth Committee of the Assembly on 6 May 2014.

II. Performance management proposal

A. Introduction

5. As evidenced by the above-mentioned General Assembly resolutions and the efforts of the Secretariat in this area, it has long been recognized that a fair, credible and well-functioning performance management system is critical for optimal staff performance and the effective delivery of programmes. Performance management is a critical step in the Secretary-General's reform agenda and a key pillar of talent management which, with regard to staff selection and promotion, acknowledges the importance of rewarding staff who do well with career opportunities and, with regard to learning and career support, recognizes the need to support and develop all staff. Performance management is also linked to other important ongoing exercises, such as continuing appointments and downsizing and/or retrenchment exercises.[1] Therefore, the Organization has been engaged in a continuous process of strengthening the performance management system.

6. The Secretariat promulgated a new policy and tool (Inspira e-performance) in 2010. The changes were positively received because they placed greater emphasis on the role of managers in managing performance, introduced a more robust global monitoring scheme, changed the procedures concerning rebuttal panels, and introduced set processes on underperformance (and accompanying guidelines) which proved helpful in providing some direction, where none had existed, to managers dealing with underperformance.

7. Four years later, staff, management and Member States are all agreed on the need to go further and build on the improvements already made. The key challenges that remain are mainly cultural, behavioural and bureaucratic, and relate to roles, responsibilities and accountability, the overly complicated processes of the policy and tool, and underperformance. In determining how best to address these remaining challenges, the Office of Human Resources Management conducted extensive research on the performance management systems of United Nations programmes and funds, the specialized agencies, other international organizations, Member States and the private sector. The Office also consulted human resources professional associations and academics and held consultations with Member States, staff (including a Staff-Management Committee working group dedicated to this issue),[2] managers and the senior leadership of the Organization. The research and discussions have led to the conclusion that the challenges faced by the United Nations mirror, for the most part, those of other organizations and the private sector, inter alia, the need for more engagement on the part of senior managers, increasing

[1] Satisfactory performance ratings are required for eligibility for continuing appointment and additional points are allocated for the rating of "exceeds expectations"; in field operations, performance ratings are taken into account by comparative review panels in downsizing and/or retrenchment exercises.

[2] The Staff-Management Working Group on Performance Management and Development was established in 2009 to formulate proposals for the reform of the performance management system. It presented its key findings to the Staff-Management Committee in June 2013. The findings took into account the recommendations of the Global Joint Monitoring Group, which is also a staff-management body. The proposed changes to the policy were discussed with staff representatives at the meeting of the Staff-Management Committee in June 2014, when broad support was expressed for the proposed changes.

managerial accountability, establishing a fair and credible system, effectively handling underperformance, and keeping the tools and policies simple in order to ensure compliance.

8. The research and discussions also showed that the Secretariat's performance management system is generally consistent with best practice, insofar as it: (a) consists of a planning stage, when individual objectives derived from organizational priorities are formulated by the employee and his or her manager; (b) progress is monitored throughout the year; and (c) an end-of-year assessment is undertaken. While there are differences among systems (e.g. in rating scales, cycles, evaluation formats and other features) and some organizations with very different areas of work or cultures have unique systems, there were, overall, few fundamental differences in the approach or philosophy. As a result, the proposed amendments to the performance management system do not aim to overhaul the entire structure. Rather, it has become clear that what is needed is targeted change in some critical areas. The proposal presented aims, therefore, to reform key areas in response to the concerns of the staff, management and leadership of the Organization and those of Member States.

9. The proposal is, nevertheless, comprehensive in that it touches on and seeks improvement in all key aspects of the performance management system: the policy, the tool, the training and guidance required, and culture and accountability. Specifically, it consists of four main elements: (a) increased accountability for performance management, particularly at the managerial and leadership levels; (b) simplification of the performance management policy (ST/AI/2010/5 and Corr.1) and the Inspira e-performance tool; (c) an improved management culture; and (d) clarification of how to effectively address underperformance.

B. Increased accountability, particularly at the managerial and leadership levels

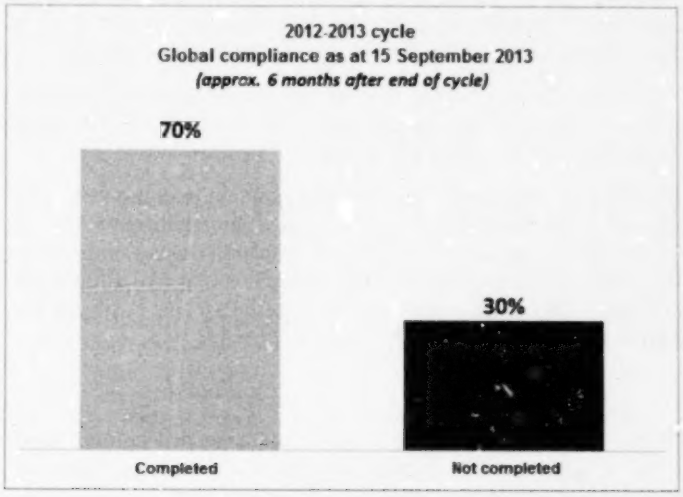
10. Based on consistent feedback from staff and from managers participating in mandatory performance management training, there is a perception that senior management does not actively prioritize performance management and that managers are not held accountable for poor management of their staff. Typically, senior leaders and managers are not held accountable for poor compliance with the procedures and deadlines for evaluating staff. The measures to be taken to increase accountability for performance management in the Organization are described below.

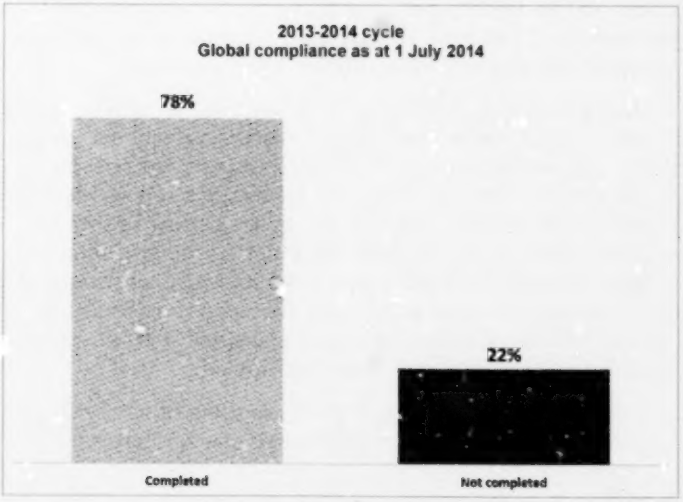
Senior leadership level

11. Research unequivocally shows that performance management systems are ineffective without the active support of the senior leadership. Therefore, it is proposed that heads of departments, offices or missions be required to play a more proactive role in performance management. In practice, this will require that they monitor compliance with policy, in particular deadlines. This monitoring function will also shed light on any inconsistency or fairness issues in the distribution of ratings within the department, office or mission. The senior management team will be expected to meet at least once a year to monitor progress made in regard to performance management responsibilities and to provide guidance to managers on compliance and ratings distribution, based on its observations.

12. To reinforce this oversight role of the heads of department, office or mission, performance management compliance became part of the senior manager compact in 2014. In addition, the Management Committee will each year review compliance and ratings distribution across the Secretariat, and compliance rates and ratings distribution for all departments, offices and missions will be published annually on the Organization's intranet platform, iSeek (see figure I).

Figure I
Global compliance





13. These measures are aimed at ensuring that the right tone is set at the senior management level, and that senior managers also carry out an important oversight function. In accordance with administrative instruction ST/AI/2010/5 and Corr.1, oversight and monitoring of performance management is undertaken by the Global Joint Monitoring Group and the joint staff-management monitoring groups, which

were to be introduced in 2011 to monitor the proper application of the policy at all duty stations. Such local joint monitoring groups have not, however, been established at most duty stations.[3] Despite efforts to press departments, offices and missions to set up the groups, offices have reported that they do not have the capacity or the resources to carry out this important monitoring function in a meaningful way.

14. As a result, performance management data are not being consistently captured and analysed. It is noteworthy that one of the key recommendations emanating from the local joint monitoring groups that have been established is that senior management and leadership in departments, offices and missions should play a stronger role in ensuring compliance with the performance management system.

15. The proposed oversight and monitoring role of the senior leadership would, therefore, be stronger than the role and capacities of the current Global Joint Monitoring Group and the local joint monitoring groups.

16. In addition, the Office of Human Resources Management will improve the data-gathering capabilities of the Inspira tool and provide senior management, the Staff-Management Committee and local staff representatives with annual updates on compliance data, ratings and significant trends. These improved data will allow both staff and management to analyse progress and any setbacks in performance management more accurately and quickly than is currently possible.

Managerial level

17. Setting the right tone at the top will bring about a much-needed cultural shift in the Organization. The roles and responsibilities of first and second reporting officers, however, need to be clarified and reinforced to ensure that accountability trickles down to all levels. In this regard, staff, management, the senior leadership of the Organization and Member States have all expressed concerns about the weak manner in which the role of the second reporting officer is often carried out.

18. To address this, second reporting officers will be required to play a more proactive role in performance management. With regard to staff evaluations, second reporting officers will be required to engage with first reporting officers on all evaluations, including comments and ratings. Only after agreement has been reached between the first and second reporting officers will the first reporting officer hold the end-of-cycle discussions with his or her staff. This more proactive role will ensure greater fairness and consistency in evaluations and is expected, over time, to help address the cultural issue in the Secretariat of the tendency to overrate staff. The second reporting officer will also be required to play a larger role in identifying and addressing underperformance, as elaborated in section E below.

19. Another measure to ensure that both first and second reporting officers engage, comply and take the system seriously is the requirement that all managers be

[3] The Global Joint Monitoring Group report for the 2010-2011 performance cycle was the first such report presented to the Staff-Management Committee. Only 23 of the local joint monitoring groups submitted reports, representing approximately 37 per cent of the reports expected. For the 2011-2012 cycle, 21 of the groups submitted reports to the Global Joint Monitoring Group. In its report for 2011-2012, the Global Joint Monitoring Group attributed the inability to establish local joint monitoring groups and/or the inability of groups to submit a report to reasons such as competing organizational priorities and heavy travel schedules of staff.

specifically assessed, in their own performance evaluations, on how they exercised their managerial or supervisory role.

Staff member level

20. Staff members will be expected to be proactive in achieving their work objectives. The proposed policy reinforces the role of staff members in maintaining dialogue with managers on their expected results; at the same time, first reporting officers will be expected to provide the necessary feedback and guidance to staff in this regard. Similarly, the proposed policy clarifies that, when performance shortcomings have been identified, staff members must cooperate with the efforts of the first and/or second reporting officers to improve their performance.

21. These measures are intended to empower staff members to assume greater ownership of their performance results and to increase the level of candid two-way communication between staff members and first reporting officers.

C. Simplification of the policy and the Inspira e-performance tool

22. Another major concern expressed by staff, managers, the senior leadership and Member States is the complexity of current performance management processes. This complexity has detracted from the essence of the performance management system, which is to foster productive relationships between staff members and their managers to ensure the achievement of organizational results. Such complexity also generates delays, which result in compliance problems and legal liabilities. Accordingly, the Secretary-General proposes to streamline the performance management policy and the Inspira e-performance tool to ensure that all stakeholders can easily understand them.

23. The performance management policy will be shortened to focus only on the essential steps of work planning and performance evaluations, and to clarify the roles and responsibilities of staff members, first reporting officers, second reporting officers, and human resources and executive offices. The specific steps proposed are described below.

Simplification of the work-planning process

24. Instead of the lengthy workplans drafted at the beginning of the performance cycle, each workplan will identify three to five key objectives for the year. These objectives should be derived from the staff member's key overall responsibilities and individual workplan which, in turn, should be linked to the overall workplan and priorities of the department, office or mission. This change in the listing of key objectives will have two significant advantages. First, it will focus staff members and their first reporting officers on the most important goals for the performance cycle. Second, it will ensure that staff members and first reporting officers do not encounter the delays that are currently experienced with the work planning phase of the cycle, whereby too much information needs to be inserted in the Inspira e-performance tool. This approach also conforms to best practice, whereby work planning is considered a fluid process that does not begin and end at one point in the year. Indeed, a detailed workplan should undergo modification throughout a given year if it is to remain accurate, whereas a set of overall objectives need not.

25. The personal development plan[4] will also be removed from the Inspira e-performance tool. Experience has shown that addressing development as part of the tool has caused it to be used inconsistently or underutilized, thus diminishing its importance and creating confusion and delay in the performance management processes. To strengthen the personal development of staff, which remains critical to the Organization, more effort will be focused on training managers to have the capacity to develop properly the abilities of staff members and to give them the tools (through a revised approach to career support) to pursue their own career aspirations through a range of learning and career support activities. This will be supported by the new learning and career support strategy, one of the key objectives of which is the enhancement of career support. In support of the organizational goal of mobility and to further the career aspirations of staff members, the strategy will aim to provide staff with the career support and skill-building tools that will allow them to move to another position in the future and obtain wider experience in different parts of the Organization. These tools will be made accessible to all Secretariat staff, many of them through the human resources portal[5] and the enterprise learning management system.

Ongoing dialogue

26. One key requirement that will be greatly emphasized is that of ongoing dialogue between staff members and their first reporting officers throughout the performance cycle. Data show that the midpoint review, which is supposed to take place halfway through the cycle, is rarely conducted in practice. One concern with the midpoint review is that best practice indicates that a single conversation in the middle of the performance cycle cannot substitute for ongoing feedback; many organizations have, therefore, eliminated it. Whether or not there is a midpoint review, the priority will be to ensure that ongoing dialogue takes place during the performance cycle and that specific training, guidelines and other tools will be provided to managers and staff on submitting and receiving feedback.

Simplification of the evaluation process

27. In recognition of the importance of evaluating how a staff member performs throughout a cycle, competencies will continue to be evaluated. Managers, however, will no longer be required to individually rate each competency, a process that was not found to add value to the evaluation. Instead, managers will be expected to highlight competencies that were particularly well demonstrated, as well as those for which there is room for growth. This will result in reducing the Inspira e-performance evaluation form to two sections (three for managers) and a single overall rating, thus making the evaluation less repetitive and cumbersome. This change will also ensure that managers evaluate staff in a more focused manner and place more emphasis on meaningful narrative. The evaluation process will be further simplified by the provision of comprehensive evaluation guidelines (see para. 30).

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[4] The personal development plan is a learning plan completed by the staff member, which sets out the competencies he or she wish to strengthen and his or her career aspirations with respect to professional development. It is distinct from the performance improvement plan, which is put in place by a manager when there are performance shortcomings.

[5] The new human resources information website, launched in the third quarter of 2014.

D. Improved management culture

28. A further key concern of staff, managers, the senior leadership and Member States is the need for a strong management culture in the Organization. While recognizing that cultural shifts take time, changes to the performance management policy and e-performance tool will to some extent address this requirement. Significant examples are the clear engagement of the senior leadership and the more systematic evaluation of managers, supported through greater training and guidance.

Increased support for managers

29. Critical to this change is the need to support managers. The Organization is fully aware of the need to provide managers with comprehensive assistance to improve their managerial skills, knowledge and performance. The new learning and career support strategy sets out the improvement of management and leadership as one of the key corporate priorities of the United Nations Secretariat for the period 2014-2016. To this end, the Office of Human Resources Management will identify key skill and other gaps and revamp its managerial and leadership programmes accordingly. This will include guidance on the day-to-day proficiencies critical to managing staff effectively (e.g. proper work planning, how to provide feedback in a multicultural setting, holding difficult conversations, holding effective meetings, maintaining a harmonious working environment and documenting serious underperformance). Such training and guidance will also, resources permitting, eventually include other important managerial areas beyond the management of staff, such as finance, budget and procurement.

Improved guidance for managers on fairly evaluating staff

30. Comprehensive guidelines will be issued to managers on how to evaluate staff and assign ratings in a fair and consistent manner. These guidelines will make clear that a rating of "exceeds performance expectations", for example, is merited only on rare occasions, when a staff member does exceptional work that goes well beyond what was expected. Although some managers are concerned that high ratings are the only means they have of rewarding good performers, the guidelines will indicate the importance of using the comment boxes and/or narrative for this purpose and will explain how.

Introducing a culture of recognition

31. The guidelines on evaluating staff will also provide examples of the many ways in which managers can recognize staff. Experience in a broad range of successful organizations has shown that staff recognition — even when, as is the case at the United Nations, it cannot be done through pay and promotion — can nevertheless drive staff motivation, engagement and loyalty.

32. In addition, the Staff-Management Committee working group on performance management and development has prepared a draft awards and recognition framework as a means of rewarding and expressing appreciation to staff for exceptional contributions to the goals and mandates of the Organization.[6] This

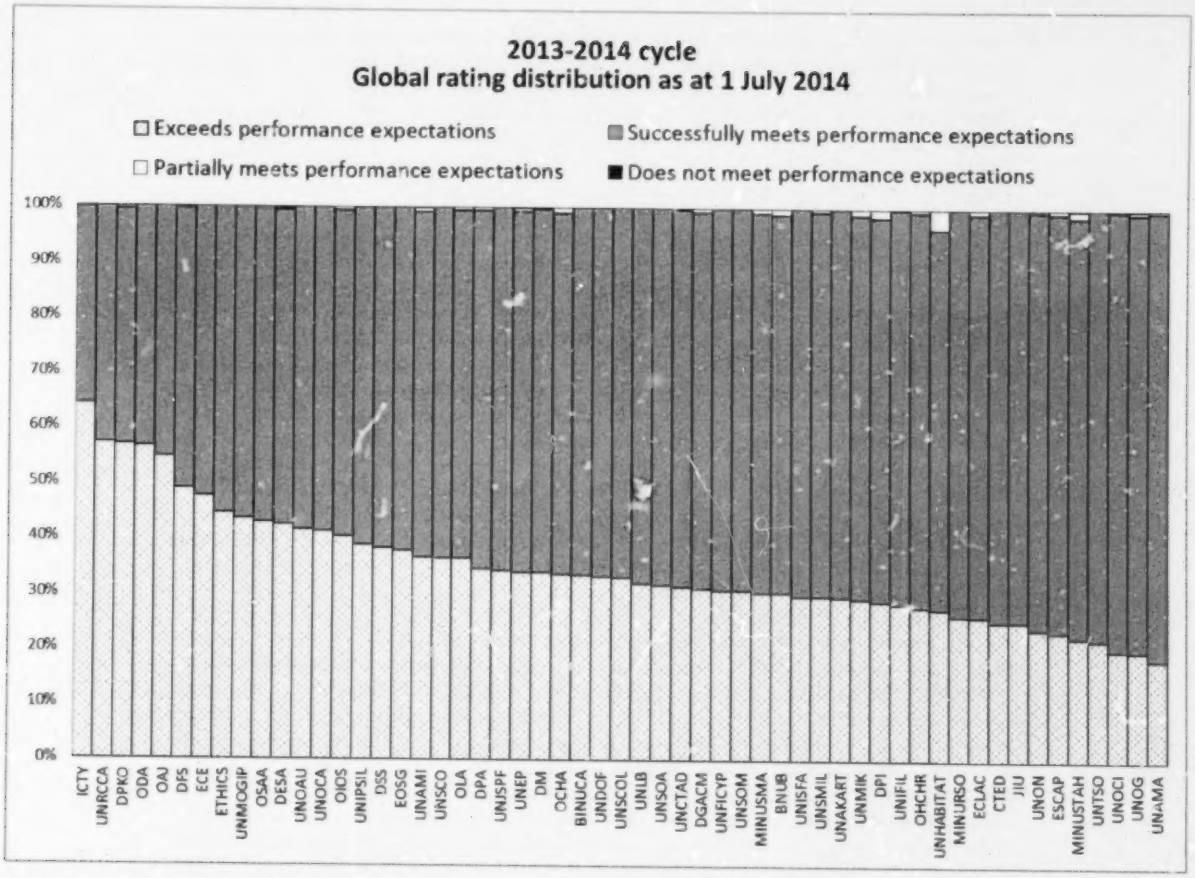
[6] Awards generally come in the form of plaques, medals, certificates, etc., while rewards are generally financial.

framework is primarily intended to foster a culture of appreciation in the Organization and offer practical tips to managers on how they can engender such a culture in their offices through expressions of recognition and appreciation, in the absence of a pay-for-performance policy or other quantifiable rewards. The framework also provides an easy-to-follow process for granting annual awards in individual departments, offices and missions. While the performance management system aims to foster a culture of high performance, the awards and recognition framework will serve as an additional vehicle through which extraordinary contributions to the goals and values of the Organization can be recognized, whether by individuals or teams. The global UN21 Awards programme will also introduce an awards and recognition framework that will apply in all duty stations once the current performance management reform proposals have been implemented. This approach focuses on fostering a culture of recognition and appreciation and offers practical suggestions on engendering it in departments, offices and missions, such as showing appreciation, expressing praise, holding a celebration, and so on. Such an approach has been shown, in the absence of a pay-for-performance system, to have brought about a degree of increased staff motivation, engagement and loyalty in other organizations.

E. Clarification of how to effectively address underperformance

33. One of the foremost weaknesses of the Organization's current performance management system is its inability to effectively address underperformance. Many managers are afraid of complaints, of investigation, of rebuttal panels and of the justice system. Managers have also found that the provisions of the current policy, when applied in practice, do not enable them to address situations in which staff members are not performing satisfactorily. For example, there is no clear sequence of steps to be taken when dealing with underperformance and, when managers do take steps, they find it difficult to align them with the timelines of the cycle. Some first reporting officers also consider that they do not get support from their second reporting officer and/or senior managers when they do try to tackle underperformance. Data show, for example, that in the most recent performance cycle, only 1 per cent of staff received a rating of "partially meets performance expectations" or "does not meet performance expectations" (see figure II).

Figure II
Global ratings distribution as at 1 July 2014



(Footnotes on following page)

(Footnotes to figure II)

Abbreviations: BINUCA, United Nations Peacebuilding Support Office in the Central African Republic; BNUB, United Nations Office in Burundi; CTED, Counter-Terrorism Committee Executive Directorate; DESA, Department of Economic and Social Affairs; DFS, Department of Field Support; DGACM, Department for General Assembly and Conference Management; DM, Department of Management; DPA, Department of Political Affairs; DPI, Department of Public Information; DPKO, Department of Peacekeeping Operations; DSS, Department of Safety and Security; ECE, Economic Commission for Europe; ECLAC, Economic Commission for Latin America and the Caribbean; EOSG, Executive Office of the Secretary-General; ESCAP, Economic and Social Commission for Asia and the Pacific; Ethics, Ethics Office; ICTY, International Criminal Tribunal for the Former Yugoslavia; JIU, Joint Inspection Unit; MINURSO, United Nations Mission for the Referendum in Western Sahara; MINUSMA, United Nations Multidimensional Integrated Stabilization Mission in Mali; MINUSTAH, United Nations Stabilization Office in Haiti; OAJ, Office of the Administration of Justice; OCHA, Office for the Coordination of Humanitarian Affairs; OHCHR, Office of the United Nations High Commissioner for Human Rights; ODA, Office for Disarmament Affairs; OIOS, Office of Internal Oversight Services; OLA, Office of Legal Affairs; OSAA, Office of the Special Adviser on Africa; UNAKRT, United Nations Assistance to the Khmer Rouge Trials; UNAMA, United Nations Assistance Mission in Afghanistan; UNAMI, United Nations Assistance Mission for Iraq; UNCTAD, United Nations Conference on Trade and Development; UNDOF, United Nations Disengagement Observer Force; UNEP, United Nations Environment Programme; UNFICYP, United Nations Peacekeeping Force in Cyprus; UN-Habitat, United Nations Human Settlements Programme; UNIFIL, United Nations Interim Force in Lebanon; UNIPSIL, United Nations Integrated Peacebuilding Office in Sierra Leone; UNISFA, United Nations Interim Security Force for Abyei; UNJSPF, United Nations Joint Staff Pension Fund; UNLB, United Nations Logistics Base at Brindisi, Italy; UNMIK, United Nations Interim Administration Mission in Kosovo; UNMOGIP, United Nations Military Observer Group in India and Pakistan; UNOAU, United Nations Office to the African Union; UNOCA, United Nations Regional Office for Central Africa; UNOCI, United Nations Operation in Côte d'Ivoire; UNOG, United Nations Office at Geneva; UNON, United Nations Office at Nairobi; UNRCCA, United Nations Regional Commission for Preventive Diplomacy in Central Asia; UNSCO, Office of the United Nations Special Coordinator for the Middle East Peace Process; UNSCOL, Office of the United Nations Special Coordinator for Lebanon; UNSMIL, United Nations Support Mission in Libya; UNSOA, United Nations Support Office for the African Union Mission in Somalia; UNSOM, United Nations Assistance Mission in Somalia; UNTSO, United Nations Truce Supervision Organization.

34. It is important to note that the majority of the staff members of the Organization perform well and it is not the intention to build a system around the minority who underperform. At the same time, the current processes in this area are complex, and make it difficult for diligent managers to address underperformance.

35. It is proposed, therefore, that the policy and processes, in particular the roles and responsibilities of second reporting officers and human resources and/or executive offices, be amended to bring greater clarity and support to managers on the processes related to underperformance.

Clearer policy

36. The proposed policy will emphasize that managers must provide feedback to staff on a regular basis throughout the performance cycle and that underperformance must be dealt with without delay. The policy will also clarify that a number of sequential steps are available to deal with underperformance; these steps may differ,

depending on the circumstances of the case. Such steps are intended to ensure that managers are able to provide at an early stage as much assistance as possible to help the staff member to improve his or her performance.

37. In cases in which performance does not improve after such measures have been put in place, the next step would be to implement a performance improvement plan. If this also fails to bring about the required change in performance, managers would be expected, upon the endorsement of the second reporting officer, to impose administrative actions for underperformance. Such actions may include withholding a salary increment and/or the non-renewal or termination of the appointment for unsatisfactory service.

38. These revised provisions will be accompanied by an updated set of guidelines on addressing underperformance, which will include a performance improvement plan template and support on such topics as handling difficult conversations. The guidelines, which will replace the guidelines on addressing and resolving poor performance issued by the Office of Human Resources Management in 2011, will — most importantly — also incorporate lessons learned from the administration of justice system.

Enhanced role for the second reporting officer

39. According to the provisions of the proposed policy, the first reporting officer will be required to consult the second reporting officer in all cases of underperformance. There are three reasons for this. First, the engagement of the second reporting officer is intended to strengthen the management of underperformance by ensuring that the first reporting officer and staff member comply with relevant procedures and focus on objective criteria in the assessment of performance. Second, it ensures that a third party who is familiar with the work of the department, office or mission will be available to support the process by ensuring that there is a common understanding between the first reporting officer and the staff member of performance expectations. Third, more accountability is placed on the more senior manager; this is one of the key objectives of the proposed policy and is in line with the hierarchical structure of the Organization, which bestows increased responsibility and accountability at higher levels.

Increased human resources support

40. Research on best practice has shown that underperformance is dealt with most effectively when the human resources office acts in an advisory capacity throughout the reporting process. To this end, the Organization's human resources and executive offices will be expected to play a more active role in advising staff and managers involved in situations of underperformance. This will be particularly so in the exceptional situation where a staff member's second reporting officer is unavailable and there is no other manager to play the role of second reporting officer. While this will require enhanced training and guidance to better equip the staff of human resources and executive offices to undertake such an advisory role, it is critical to the success of the new policy.

Simpler rebuttal process

41. The rebuttal process was somewhat streamlined in administrative instruction ST/AI/2010/5 and Corr.1 but experience has shown that it is currently a major

source of delay in the underperformance processes and requires fine-tuning. The process will be improved in three significant ways.

42. First, one key source of delay has been the requirement that all panel members be at the same level as the first reporting officer. This has created significant delays in finding rebuttal panel members at the appropriate levels and in establishing the panels themselves. One change will be that only one panel member will be required to be at the same level as the first reporting officer whose evaluation is being rebutted. This change is expected to significantly reduce the delays.

43. Second, improved training and/or guidance will be provided to panel members before they serve on a rebuttal panel. Since most staff members have never served on a rebuttal panel and may never do so again, such training and guidance will enable them to learn quickly how to navigate the rebuttal process so that all parties receive a fair hearing and that due process is observed. It will also ensure that all rebuttal panels, no matter where they are located, carry out their work in a consistent manner and in accordance with the policy.

44. Third, in the event that a rebuttal panel decides to overturn the overall rating, it will be granted the authority to delete from the evaluation some or all of the first reporting officer's comments related to that rating. The absence of such a provision in the current policy has meant that some comments in evaluations where the rating was overturned no longer made sense. This change will ensure greater fairness and consistency in the final evaluation.

45. All of these measures are intended to ensure that performance issues are addressed at an early stage and that the steps for addressing underperformance are significantly streamlined and simplified.

III. Financial implications

46. The Inspira e-performance tool will need to be reconfigured in late 2014 or early 2015 in order to align it with the policy changes. These technical changes, which represent the main costs associated with the reforms, will be financed through existing resources, based on a reprioritization of current resources.

IV. Time frames

47. The draft policy will be finalized following consultation with staff representatives so that the necessary technical changes can be made and the Inspira e-performance tool tested prior to implementation. The aim is for the revised policy and the changes to the tool to enter into effect by April 2015, in time for the 2015-2016 performance cycle.

V. Conclusion

48. Reform of the Organization's performance management system is a goal that is truly shared by management, staff and Member States alike; no one is fully satisfied with the current system. Performance management is an integral part of the talent management framework. It is those who perform the best who should be rewarded

with new opportunities. At the same time, in terms of learning and development, the improved performance management system should bring about greater dialogue and engagement, making it easier to support and develop the abilities of those who perform less well, and to intervene at an earlier stage. The successful streamlining of the performance management system will in turn positively impact the other pillars of talent management.

49. Ultimately, any system, even an improved one, can succeed only if staff and managers truly engage with it. It is expected that these improvements will, in the long term, make the system more transparent and consistent, improve compliance rates and the quality of the evaluation process, and signal to staff and managers that performance management is taken seriously at the United Nations.

VI. Action to be taken by the General Assembly

50. **The General Assembly is requested to endorse the revisions to the performance management system proposed in the present report.**